GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:42
ANSWERED ON:17.02.2006
DISINVESTMENT OF POWER FINANCE CORPORATION
Radhakrishnan Shri Varkala

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government has decided to divest 5% of its equity holdings in Power Finance Corporation;

(b) If so, the details thereof; and

(c) Whether there is opposition to this move in certain quarters;

(d) If so, the details thereof; and

(e) The reaction of the Government thereto ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (S.S. PALANIMANICKAM)

(a) & (b) Yes, Sir. The Government has decided to disinvest 5% out of its equity shareholding in Power Finance Corporation (PFC) through `Offer for Sale` in the domestic market. The disinvestment by the Government would be through piggy-back on the public issue being done by PFC.

(c) to (e) Some Political parties and trade unions are, as a matter of policy, opposed to disinvestment. Government will abide by the policy articulated in the National Common Minimum Programme.